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COMMITTEE ON
EDUCATION AND THE WORKFORCE

U.S. HOUSE OF REPRESENTATIVES
2176 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6100

November 30, 2023

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The Honorable Gene L. Dodaro
U.S. Comptroller General
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

Over the past few decades, the American economy has undergone a significant transformation driven by technological advancements, changes in labor practices, and shifts in workforce demographics. Recognizing the fundamental impact this transformation has had, I believe the time has come to review the Bureau of Labor Statistics (BLS) and its methodologies. Such an evaluation is especially important now as the Biden administration continues to tout the successes of "Bidenomics" while American families and businesses suffer. It is critical that BLS' data is produced and evaluated in the most useful, reliable, and up-to-date manner possible in order to capture the current state of our labor market accurately.

BLS' monthly Employment Situation Report plays a pivotal role in providing essential labor market information to government agencies and the private sector. The report presents data from two national surveys of business establishments and households—the Current Employment Statistics program and the Current Population Survey, respectively—which together inform critical policy decisions, economic forecasting, and research across various sectors.

While these surveys have historically been a trusted source of labor market data, some economists have raised concerns regarding the reliability and timeliness of the information they provide. Specifically, these economists express concerns that BLS might be overcounting jobs that have not actually been added, as it has with previous economic turning points.¹ This is particularly concerning as the Biden administration's misguided policies have driven our economy toward a recession. As the Federal Reserve uses these jobs numbers to set interest rates, which are at a 22-year high, it is critical that this data accurately reflect the health of the labor market.

¹ Gwynn Guilford, *Labor Market Headfake? Key Report Could Be Overestimating Job Growth*, WALL ST. J., July 3, 2023, <https://www.wsj.com/articles/labor-market-headfake-key-report-could-be-overestimating-job-growth-c7ea020>.

The Honorable Gene L. Dodaro

November 30, 2023

Page 2

Reliable and timely labor market data is vital for informed decision-making. It is essential that BLS' data collection and reporting methodologies are equipped to capture the nuances of our rapidly changing economy and workforce, particularly as interest rates are skyrocketing and the federal deficit continues to climb. Accordingly, I request that the Government Accountability Office evaluate the following aspects of the labor market information in BLS' Employment Situation Report:

1. To what extent are the data presented in BLS' Employment Situation Report accurate, useful, and timely for the purposes of monitoring labor market conditions?
2. What options exist to improve the data's accuracy, usefulness, and timeliness, and what considerations are associated with each option?

Historically, nonpartisan reviews of BLS and its methodologies have led to improvements in the nation's core economic statistics. Reviews like the one spearheaded by the Boskin Commission in 1995 have enabled users of BLS data to have more faith in the accuracy of this data, allowing them to make more informed policy decisions. While undertaking your review, I encourage GAO to model its approach on past nonpartisan efforts.

Thank you for your attention to this matter.

Sincerely,



Virginia Foxx
Chairwoman